**GOVERNMENT OF THE REPUBLIC OF ARMENIA**

**DECISION**

No 952-N of 23 June 2022

**ON APPROVING THE PROCEDURE FOR ORGANISING PROCUREMENT PROCESS FOR CONSTRUCTION WORKS WITHIN THE SCOPE OF MEETING   
THE NEEDS DEEMED AS URGENT IN CASE OF A RISK OF ENTAILING HUMAN CASUALTIES, SIGNIFICANT DAMAGE TO HUMAN HEALTH AND ENVIRONMENT, LARGE MATERIAL LOSSES AND VIOLATION OF NORMAL LIVING CONDITIONS OF A HUMAN BEING, OR OF A RISK OF EMERGING SUCH SITUATIONS**

Being guided by point 18 of part 1 of Article 5 of the Law “On procurement”, the Government of the Republic of Armenia hereby ***decides:***

1. To approve procedure for organising procurement process for construction works within the scope of meeting the needs deemed as urgentin case of a risk of entailing human casualties, significant damage to human health and environment, large material losses and violation of normal living conditions of a human being, or of a risk of emerging such situations, pursuant to the Annex.

2. To establish that pursuant to the procedure approved by point 1 of this Decision:

(1) the procurement process of services for development, expert examination of and technical control over the design documentation necessary for the construction works related to roads and transport facilities, obtaining thereof, including prequalification procedures shall be organised by the Ministry of Territorial Administration and Infrastructure of the Republic of Armenia;

(2) the procurement process of services for development, expert examination of and technical control over the design documentation necessary for the construction works related to buildings and constructions, obtaining thereof, including prequalification procedures shall be organised by the Urban Development Committee of the Republic of Armenia;

3. To ensure, by the Minister of Territorial Administration and Infrastructure of the Republic of Armenia and by the Chairperson of the Urban Development Committee of the Republic of Armenia, the organisation of prequalification procedures provided for by the procedure being approved by point 1 of this Decision, within 20 working days following the entry into force of this Decision.

4. This Decision shall enter into force on the day following its promulgation.

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| **Prime Minister  of the Republic of Armenia** | **N. Pashinyan** |
| Yerevan |  |
|  | 24 June 2022 CERTIFIED BY EECTRONIC SIGNATURE |

**Annex**

**to Decision of the Government of the Republic of Armenia   
No 952-N of 23 June 2022**

**PROCEDURE FOR ORGANISING PROCUREMENT PROCESS   
FOR CONSTRUCTION WORKS WITHIN THE SCOPE OF MEETING   
THE NEEDS DEEMED AS URGENT IN CASE OF A RISK OF ENTAILING HUMAN CASUALTIES, SIGNIFICANT DAMAGE TO HUMAN HEALTH AND ENVIRONMENT, LARGE MATERIAL LOSSES AND VIOLATION OF NORMAL LIVING CONDITIONS OF A HUMAN BEING, OR OF A RISK OF EMERGING SUCH SITUATIONS**

**I. GENERAL PROVISIONS**

1. This Procedure shall regulate the relations pertaining to the procurement process of construction works within the scope of meeting the needs deemed as urgent in case of a risk entailing human casualties, significant damage to human health and environment, large material losses and violation of normal living conditions of a human being, or of a risk of emerging such situations.

2. Norms not provided for by this Procedure may be defined by the decisions of the Government of the Republic of Armenia, due to the peculiarities of the procurement process.

**II. PROCUREMENT PROCESS**

3. The requirements of the procedure approved by Decision of the Government of the Republic of Armenia No 526-N of 4 May 2017 shall apply to organisation of the procurement process provided for by this Procedure, taking into account the following peculiarities:

(1) the head of the contracting authority shall approve the text of prequalification notice (hereinafter referred to as “the notice”) which stipulates the following:

(a) name and location of the contracting authority,

(b) code of the prequalification procedure,

(c) brief summary of content of the subject matter of the procurement,

(d) procedure for and place of preparation and submission of prequalification bid,

(e) requirements to the rights and qualification of the bidders to participate in prequalification procedure and the procedure for evaluation thereof,

(f) procedure for concluding an initial contract;

(2) in case of procurement not containing state secret, except for the case of submitting prequalification bids, the procurement procedure shall be implemented through the system of electronic procedure, whereas the prequalified bidders shall be granted the right to further participation in the procurement process;

(3) the head of the contracting authority shall appoint a secretary of the given procurement process;

(4) the secretary shall publish in the bulletin the text of the notice in Armenian, Russian and English languages on the working day following the date of approval thereof. Moreover, the notice shall have effect for an unlimited time period;

(5) a prequalified bidder:

a. shall not submit a bid security;

b. shall submit a price proposal by the total price, based on an invitation, in case of procurement of services for development of the design documentation;

c. shall submit the price proposal expressed in per cents and calculated at the price of performance of the construction works to be established by the design documentation having undergone expert examination, in case of procurement of construction works, as well as services for expert examination of and technical control over the design documentation. Moreover, in case of procurement of services for expert examination of design documentation the proposed per cent may not exceed the maximum per cent prescribed by the legislation of the Republic of Armenia for acquisition of such services, whereas in case of procurement of services for technical control — four per cent;

d. where the bidder is declared as selected bidder, he or she shall not submit a qualification security, and shall submit the contract security in the form of bank guarantee or cash, the amount whereof is equal to twenty per cent of the contract price. In case of submitting price proposal expressed in per cent, the amount of the contract security shall be calculated against the consolidated price of construction works prescribed by the invitation;

e. in case of procurement of construction works, not more than thirty per cent of the contract, to be concluded, may be implemented by concluding a subcontractor agreement. Other bidders having been prequalified for the purpose of participating in the given procedure may not be a party to a subcontractor agreement. Where the agreement is to be implemented through or a subcontractor, the prequalified bidder shall also submit in the bid the carbon copy of subcontractor agreement and data on the person who is a party thereto. In case of procurement of services for development, expert examination of and technical control over the design documentation the contracts to be concluded may not be implemented by concluding an agency agreement;

(6) the selected bidder shall be determined from among prequalified bidders having submitted bids being evaluated as satisfying, by the principle of giving preference to the bidder having submitted the lowest price proposal (percentage);

(7) the contracting authority must, within three working days, respond to the enquiry of the bidder to provide clarifications on the prequalification notice. The contracting authority shall simultaneously publish the information on enquiry and the provided clarification in the official journal;

(8) after publishing the notice the bidder who wishes to participate in the prequalification procedure shall submit, in the form of documentation or by sending via e-mail of the contracting authority provided for by the notice, to the contracting authority the carbon copies printed from the original copies of the documents required by the notice;

(9) the secretary shall, on the day of receipt of the documents referred to in sub-point 8 of this point, enter them into the document circulation system. The contracting authority shall, within five working days following the date of receipt of the document referred to in this sub-point where they comply with the requirements of the notice, conclude an initial contract with the bidder, by including the latter in the list of bidders having concluded initial contracts. The secretary shall, on the working day following the conclusion of an initial contract, promulgate the carbon copy printed from the original copy thereof in the official journal.

4. The initial contract shall also stipulate that:

(1) the submission of a bid by the bidder having concluded it shall not be mandatory;

(2) the bid shall be submitted within three calendar days following the date of notification;

(3) the brief conditions of submission of the bids by the bidder prequalified on the basis of invitations, evaluation thereof, determination of the selected bidder and conclusion of the contract;

(4) the bidder may terminate the initial contract by notifying, in writing or in an electronic form, the contracting authority thereof. The termination of the initial contract shall not entail automatic termination of the contracts previously concluded with the given bidder, based thereon. The initial contract shall be terminated on the fifth working day following the date of entry of the application thereon into the document circulation system or that of notification in an electronic form. Meanwhile, the contracting authority shall withdraw from the official journal the contract concluded with the given bidder.

(5) in case of submitting a bid based on the invitation, the bidder must reconfirm his or her compliance with the qualification requirement envisaged by the prequalification notice. The compliance of the bidder with the qualification requirement shall be considered as reconfirmed where he or she submits a written statement about it in the bid.

**III. QUALIFICATION CRITERIA AND EVALUATION CONDITIONS THEREOF**

5. The prequalification notice shall stipulate the qualification criteria provided for by point 1 of part 3 of Article 6 of the Law “On procurement” (hereinafter referred to as “the Law”), which is defined as follows:

(1) a person who wishes to participate in the prequalification procedure must have received state registration in the third year preceding the submission of the prequalification bid, by attaching to the bid the carbon copy printed from the original copy of the state registration certificate.

(2) as regards the roads:

(a) in case of construction works, a person shall, within 5 years prior to submission of the bid, submit in the bid a notice on execution of contracts (including agreements) on at least three objects under the contractor agreement with duly performed and fully completed construction or re-construction works of the roads or replacement works of the road of at least 3rd level of risk (the final act approved by the contracting authority of the given contract). Moreover, the total sum of the contracts provided for by this paragraph must not be less than AMD 3 billion;

(b) in case of services for developing design documentation, a person shall, within 5 years prior to submission of the bid, submit in the bid a notice on execution of contracts (including agreements) on at least three objects of the contractor agreement having been concluded and duly executed for the purpose of developing design documentation necessary for construction or re-construction works of the roads or replacement works of the road of at least the 3rd level of risk. Moreover, the total sum of the contracts provided for by this paragraph must not be less than AMD 100 million;

(c) in case of services for expert examination of design documentation, a person shall, within 5 years prior to submission of the bid, submit in the bid a notice on execution of contracts (including agreements) on at least three objects under the contractor agreement having been concluded and duly executed for the purpose of expert examination of design documentation necessary for construction or re-construction works of the roads or replacement works of the road of at least the 3rd level of risk. Moreover, the total sum of the contracts provided for by this paragraph must not be less than AMD 5 million;

(d) in case of services for technical control, a person shall, within 5 years prior to submission of the bid, submit in the bid a notice on execution of contracts (including agreements) on at least three objects under the contractor agreement having been concluded and duly executed for the purpose of exercising technical control over the execution of construction or re-construction works of the roads or replacement works of the road of at least the 3rd level of risk. Moreover, the total sum of the contracts provided for by this paragraph must not be less than AMD 50 million;

(3) as regards transport facilities:

(a) in case of construction works, a person shall, within 5 years prior to submission of the bid, submit in the bid a notice on execution of contracts (including agreements) on at least three objects under the contractor agreement with duly performed and fully completed construction or re-construction works of transport facilities or replacement works of transport facilities of at least 3 rd level of risk (the final act approved by the contracting authority). Moreover, the total sum of the contracts provided for by this paragraph must not be less than AMD 200 million;

(b) in case of services for developing design documentation, a person shall, within 5 years prior to submission of the bid, submit in the bid a notice on execution of contracts (including agreements) on at least three objects under the contractor agreement having been concluded and duly executed for the purpose of developing design documentation necessary for construction or re-construction works of transport facilities or replacement works of transport facilities of at least the 3rd level of risk. Moreover, the total sum of the contracts provided for by this paragraph must not be less than AMD 10 million;

(c) in case of services for expert examination of design documentation, a person shall, within 5 years prior to submission of the bid, submit in the bid a notice on execution of contracts (including agreements) on at least three objects under the contractor agreement having been concluded and duly executed for the purpose of expert examination of design documentation necessary for construction or re-construction works of transport facilities or replacement works of transport facilities of at least the 3rd level of risk. Moreover, the total sum of the contracts provided for by this paragraph must not be less than AMD 0.5 million;

(d) in case of services for technical control, a person shall, within 5 years prior to submission of the bid, submit in the bid a notice on execution of contracts (including agreements) on at least three objects under the contractor agreement having been concluded and duly executed for the purpose of exercising technical control over the construction or re-construction works of transport facilities or replacement works of transport facilities of at least the 3rd level of risk. Moreover, the total sum of the contracts provided for by this paragraph must not be less than AMD 5 million;

(4) as regards the buildings and constructions:

(a) in case of construction works, a person shall, within 5 years prior to submission of the bid, submit in the bid a notice on execution of contracts (including agreements) on at least three objects under the contractor agreement with duly performed and fully completed construction or re-construction works of residential buildings or those of public significance of at least 4 rd level of risk (the final act approved by the contracting authority). Moreover, the total sum of the contracts provided for by this paragraph must not be less than AMD 1.5 billion;

(b) in case of services for developing design documentation, a person shall, within 5 years prior to submission of the bid, submit in the bid a notice on execution of contracts (including agreements) on at least three objects under the contractor agreement having been concluded and duly executed for the purpose of developing design documentation necessary for construction or re-construction works of residential buildings or those of public significance of at least 4 rd level of risk Moreover, the total sum of the contracts provided for by this paragraph must not be less than AMD 50 million;

(c) in case of services for expert examination of design documentation, a person shall, within 5 years prior to submission of the bid, submit in the bid a notice on execution of contracts (including agreements) on at least three objects under the contractor agreement having been concluded and duly executed for the purpose of expert examination of design documentation necessary for construction or re-construction works of residential buildings or those of public significance of at least 4 rd level of risk. Moreover, the total sum of the contracts provided for by this paragraph must not be less than AMD 2.5 million;

(d) in case of services for technical control, a person shall, within 5 years prior to submission of the bid, submit in the bid a notice on execution of contracts (including agreements) on at least three objects under the contractor agreement having been concluded and duly executed for the purpose of exercising technical control over the execution of construction or re-construction works of residential buildings or those of public significance of at least 4rd level of risk. Moreover, the total sum of the contracts provided for by this paragraph must not be less than AMD 25 million;

(5) the carbon copies printed from the original copies of the contracts, of the acts certifying the performance of works or provision of services, within the prescribed time limit, referred to in the contracts having been approved by the parties prescribed by these contracts (protocol on delivery and acceptance etc.), as well as those printed from the original copy of the final act, shall be attached to the notice provided for by sub-point 2, 3 and 4 of this point.

6. The bidder may submit other additional documents, information and materials in the prequalification bid.

7. The contracting authority may verify the authenticity of the data submitted by the bidder in the prequalification bid, by using data received from the official sources or by receiving the written opinion thereon by the competent bodies. In case of forwarding such enquiry, the relevant state and local self-government bodies shall provide a written opinion within three working days following the date of receipt of the enquiry. If, as a result of verification of the authenticity of the data submitted by the bidder, the data are qualified as not true, the prequalification bid shall be rejected by notifying the bidder thereon, where the detailed justifications for rejection shall be attached thereto.

8. The qualification criteria, conditions for the evaluation thereof, as well as the conditions of funding, execution and management of the contracts to be concluded, which are provided for by points 2, 3, 4 and 5 of part 3 of Article 6 of the Law in respect of prequalified bidders, shall be defined by the decision approved by the Government of the Republic of Armenia based on part 4 of Article 15 of the Law.

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| **Chief of Staff to the Prime Minister  of the Republic of Armenia** | **A. Harutyunyan** |
|  | 24 June 2022 CERTIFIED BY ELECTRONIC SIGNATURE |
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**Date of official promulgation: 24 June 2022.**